

U.S. Chamber of Commerce 1615 H Street, N.W. Washington, D.C. 20062-2000 Phone: 202-463-5479

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## November 8, 2001

Ms. Magalie Roman Salas Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

Reference: Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3

GHz for Mobile and Fixed Services to Support the Introduction of New Advanced

Wireless Services, including Third Generation Wireless Systems

ET Docket No. 00-258 ET Docket No. 95-18 IB Docket No. 99-81

Dear Ms. Salas:

The Space Enterprise Council ("Council") hereby submits its reply to the comments filed in the above-referenced proceeding.<sup>1</sup>

The Council strongly urges the Commission not to reallocate any portion of the 2 GHz band (i.e.,1990-2025 MHz and 2165-2200 MHz) currently allocated to Mobile-Satellite Services ("MSS"). Despite its past financial struggles, the MSS industry continues to thrive, promising to offer advanced communications technology for use by businesses and in emergencies, both in the United States and abroad.

There are many rural and underserved regions in the United States that do not have access to effective communications systems. MSS may offer the only cost-efficient means of communication in these regions, and can provide access to important educational, financial, and medical information. As it moves from merely providing telephony services to global broadband access, MSS has great potential to provide these rural and underserved communities with the information and communication tools necessary to advance their economic and societal vitality. Furthermore, MSS systems have proven to be critical to providing essential communication services to developing nations that otherwise lack modern, state-of-the-art communications and information systems.

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<sup>&</sup>lt;sup>1</sup> The Council (www.uschamber.com/space) was launched last year to bring industry together with the federal government on commercial space initiatives. The Council's members – representing an array of aerospace, telecommunications, finance, legal, advertising and other companies – are working to advance the interests of U.S. businesses in the commercial development of space.



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MSS also offers an invaluable service in times of natural disasters, such as earthquakes, floods, and hurricanes. Relief and recovery groups like the National Guard and the Red Cross depend on MSS in times of catastrophe. In the wake of the September 2001 terrorist attacks for example, MSS has contributed considerably to the coordination of relief efforts, search and rescue, media coverage, and provision of emergency services. Aeronautical MSS services can also play a critical role in improving air transportation performance, efficiency, and security.

The United States Government and the Commission have recognized MSS as serving the public interest. Acknowledging that MSS is currently the best means to extend service to underserved regions, the Commission has already granted eight licenses for 2 GHz MSS systems and set times frames for the licensees to proceed with constructing, launching, and operating their satellite systems.

In addition, the Commission has recognized that MSS systems operate best in a "globally consistent allocation of contiguous spectrum" and took a leading role in the international processes responsible for allocating worldwide spectrum for MSS systems. With the active involvement of the Commission, WRC-95 maintained international MSS allocations in the 1980-2010 MHz and 2170-2200 MHz bands and, additionally, allocated the 2010-2025 MHz and 2160-2170 MHz bands for MSS in ITU Region 2, which includes the United States. Given the level of participation of the Commission in establishing worldwide allocations for MSS, reallocating 2 GHz MSS spectrum domestically could negatively affect the Commission's credibility in its commitment to remain consistent with worldwide allocations. This could result in a decreased ability for the U.S. to secure future satellite and terrestrial global allocations.

Furthermore, numerous companies have spent billions of dollars in reliance on the Commission's allocation of 2 GHz MSS spectrum and licensing of new MSS applicants. A reallocation of 2 GHz MSS spectrum at this time could catastrophically harm the nascent MSS industry. It would raise uncertainty about the Commission's commitment to MSS and consistency in rulings, which would undoubtedly deter companies from investing in MSS systems in the future.

As with other systems in the past, the Commission should continue to nurture the development of 2 GHz MSS systems and allow time for such systems to grow their business. It is unlikely that reallocating the 2 GHz MSS band to terrestrial wireless services would result in faster service to the public and such action may in fact preclude service to rural areas. Terrestrial services would still need to work with the Commission on formulating new licensing and regulatory rules. This process would most likely take longer than it would for MSS systems to grow their business and begin to extensively and expeditiously service their intended markets.

<sup>2</sup> Allocation ad Designation of Spectrum for Fixed-Satellite Services in the 37.5-38.5 GHz, 40.5-41.5 GHz and 48.2-50.2 GHz Frequency Bands, Further Notice of Proposed Rule Making, 16 FCC Rcd 12244, 12248 ¶ 8 (2001) (emphasis added).



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Additionally, it is yet unclear that there is sufficient consumer demand for terrestrial Third Generation (3G) services. Nor has there been a demonstrative commitment from terrestrial wireless proponents to deploy their services any time soon. Therefore, more time is needed to assess the demand for terrestrial 3G services, and to explore other alternatives for accommodating terrestrial 3G systems outside of the 2 GHz MSS band.

In summary, MSS systems continue to prove their critical value to the public interest. Reallocation of the 2 GHz MSS band would be a grave disservice to the public – especially to rural and underserved communities – both domestically and internationally. A reallocation would also prove contrary to the Commission's domestic commitments and worldwide leadership efforts.

For these reasons, the Commission should not only preserve the existing 2 GHz MSS allocation, but also maintain a clear regulatory path to the additional spectrum resources needed by 2 GHz MSS licensees to fully implement their systems.

Respectfully submitted,

SPACE ENTERPRISE COUNCIL

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